

SETTLEMENT AGREEMENT

This Settlement Agreement (the "Agreement") dated April 7, 2007, is by and between **Haley Land Company, LLC** ("Haley Land") and **TOP Operating Co.** ("TOP").

WHEREAS, TOP is the operator of and a working interest owner in the Oil and Gas Lease dated March 14, 1980, recorded in Book 903, Reception No. 1825112 and re-recorded in Book 904, Reception No. 1825902, records of Weld County, Colorado, between Maxine Johnson Haley and James S. Haley, as Trustee for the Maxine Johnson Haley Trust, as lessors, and Calvin Petroleum Corporation, as lessee (the "Original Lease"), which covers part of the SE/4 of Section 19 and part of the S/2 of Section 20, Township 3 North, Range 68 West, 6th P.M. (the "Subject Lands");

in accordance with its terms.

3. By its execution of this Agreement, Haley Land, for itself, its successors, assigns and all person claiming under it, does hereby fully and forever indemnify, release and defend TOP from and against all and any claims, demands, obligations, actions, liabilities, damages (including consequential, incidental, indirect, exemplary and punitive damages and loss profits), losses, costs, expenses and causes of action of every kind and nature whatsoever in law and equity, whether known or unknown, fixed or contingent, which Haley Land or any person claiming to or under it may now have or claim at any future time to have against TOP, arising from the claims asserted in ~~TOP's operations~~.

4. This Agreement may not be assigned in whole or in part by Haley Land or TOP

without the express written consent of the other party. Except as expressly provided herein, nothing contained in this Agreement, express or implied, is intended to confer any benefits, privilege, right or remedy in favor of any third person.

5. Any and all notices required under the terms hereof are to be delivered by U.S. mail or by telefax at the following addresses:

For Notice to Haley Land

Haley Land Company, LLC
Attn: John R. Haley
14491 Weld County Road 5
Longmont, CO 80504
Fax:

For Notice to TOP

TOP Operating Co.
Attn: Rodney K. Herring
10881 W. Asbury Ave., Suite 230
Lakewood, CO 80227
Fax: (303) 727-9925

6. This Agreement may not be amended or modified, nor any rights hereunder waived, except by an instrument in writing signed by the party to be charged with such amendment or waiver.

7. This Agreement and the transactions contemplated hereby shall be construed in accordance with the laws of the State of Colorado.

9. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original instrument, but all of which, taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, this Agreement is executed effective the date first set forth above.

HALEY LAND COMPANY, LLC

By: 

Name: John R. Haley

Title: Haley Land Co LLC

TOP OPERATING CO.

By: 

Name: Rodney K. Herring

Title: President